



LEGISLATION AFFECTING UI PROGRAM BECAME LAW EFFECTIVE AUGUST 2, 2012

House Bills 2150 and 2519, passed in the second regular session of the fiftieth Arizona legislature and signed by the governor on March 29, 2012, became law on August 2, 2012. Their effects on the UI program are as follows.

Arizona Revised Statutes (A.R.S.) § 23-613.01 was amended to specify the indications of control of a worker by the employing unit that are to be considered by DES in determining whether the worker is an employee for UI coverage purposes. (The amendment did not change the indications of control that were already taken into consideration in making such determinations; it merely codified them.)

A.R.S. § 23-724 was amended to require UI liability determination notices based on the definition of *employee* in A.R.S. § 23-613.01 to include more in-depth, specific information regarding the decision and be sent by certified mail (this latter requirement was already UI Tax program procedure).

Several appeal filing deadlines have been extended: A.R.S. § 23-724 was amended to extend the period to appeal a UI liability determination from fifteen to sixty days and to extend the period to appeal a refusal to grant relief from a determination, reconsidered determination, or decision which has become final from fifteen to thirty days; A.R.S. § 23-671 was amended to extend the period to appeal a DES Appeal Tribunal decision to the DES Appeals Board from fifteen to thirty days.

A.R.S. § 23-769 was amended to change the Arizona Job Training Tax (JTT) trigger to a Federal Unemployment Tax Act (FUTA) tax rate that is less than six percent. The effect of this is that as long as the FUTA Tax rate is no lower than 6 percent, some UI taxpayers are exempt from JTT on taxable wages paid after June 30, 2012, based on their assigned UI Tax rate. To view JTT-exempt UI Tax rates for 2012 and prior years, visit www.azuitax.com, Important: What You Need To Know section, UI Tax Rates for Current and Prior Years link. Reimbursement employers (government employers, Indian tribes, and certain non-profit organizations that have elected to reimburse DES for unemployment benefit payments in lieu of paying UI Tax) continue to be exempt from JTT. DES collects JTT with employers' quarterly UI Tax and deposits the money in the Arizona Job Training Fund, which is administered by the Arizona Commerce Authority. Visit www.azcommerce.com for more information on the Arizona Job Training Program.

A.R.S. §§ 23-771 and 23-776 were amended to: (1) require that, in addition to existing unemployment benefit eligibility work search requirements, claimants engage in a systematic and sustained effort to obtain work during at least four days of the benefit week and make at least three work search contacts during that week, and (2) specify that an individual is considered to have refused an offer of suitable work if an offer of work is withdrawn by the employer after the individual tests positive for drugs in a pre-employment drug screen or if the individual refuses without good cause to submit to a pre-employment drug screen. Those who fail to meet work search requirements or refuse an offer of suitable work are disqualified from unemployment benefits under existing law until they have earned wages equivalent to eight times their weekly benefit amount and become unemployed again through no fault of their own.

A.R.S. § 23-771 was also amended to modify the base period wage qualifications for unemployment benefits from \$1,500 to an amount equal to at least 390 times the minimum wage in effect when the individual files a benefit claim. This means that an individual must work at least an average of 30 hours per week at minimum wage in order to meet the earnings requirements to qualify for unemployment benefits.

A.R.S. § 23-795 was added to align between-terms benefit eligibility requirements for employees of for-profit charter schools with existing restrictions for employees of public schools and non-profit charter schools found in A.R.S. § 23-750(E). The new law states that employees of for-profit charter schools are not eligible for benefits between two successive academic years or terms or during a vacation period or recess if there is a reasonable assurance that the individual will perform the same services in the next academic year or term. If an individual is not offered an opportunity to perform the services for the employer for the second successive academic year or term, the individual is entitled to a retroactive payment of benefits for each week the individual filed a timely claim for benefits and the benefits were denied solely because the individual was between successive academic years or terms.

ESTIMATED WAGES & YOUR 2013 UI TAX RATE

If you have not submitted all of your quarterly Unemployment Tax and Wage Reports (form *UC-018*) for the filing periods up to and including quarter ending June 30, 2012, you may be assigned a UI Tax rate for calendar year 2013 that does not accurately reflect your UI experience.

Your 2013 UI Tax rate will be computed using data on file in your tax account related to past filing periods through quarter ending June 30, 2012. However, if any (continued on reverse)

See reverse for EOE/ADA/LEP/GINA disclosure.

quarters in that period are missing when your 2013 rate is computed, the law requires DES to use estimates of the amount of wages you paid during those quarters in computing your rate.

Reports are required for every quarter, even those in which no wages were paid. When reports are delinquent, DES sends a notice (form UC-062) requesting the missing reports. If no response to this request is received, DES sends the employer an Estimated Wage Letter in October. This letter gives the employer one last opportunity to provide the missing report(s) so that actual wage information rather than estimated amounts can be used for all quarters in computing the upcoming year's UI Tax rate.

If you receive an Estimated Wage Letter, please submit the requested report(s) promptly. If you think you might have neglected to submit a report but aren't sure, phone the UI Tax Experience Rating Unit at (602) 771-6603.

KEEPING DES UPDATED KEEPS YOU UPDATED

It is important to notify DES of address and other changes to your business promptly so that your UI Tax account can be administered properly and you can receive important notices timely. Many DES notices concern matters that affect or can affect your tax rate. Appeals of decisions you disagree with must be submitted within the legal time limits printed on the notices. An appeal deadline missed because you did not notify DES of an address change can result in the appeal being denied due to untimeliness.

Other changes that affect your UI tax account, such as business name change; change of your business's legal form or ownership; buying or leasing all or part of an existing business; bankruptcy; receivership; or discontinuing your business must also be reported to DES promptly, preferably in writing.

The Report of Changes (form UC-514) DES mails employers with their quarterly UC-018 forms is formatted to make reporting changes fast, easy, and clear. The form is also available on the UI Tax website at www.azuitax.com. For additional help with changes, phone the UI Tax Employer Registration Unit at (602) 771-6602.

UI Tax Office Addresses & Phone Numbers:

P.O. Box 6028, Phoenix, AZ 85005-6028
4000 N. Central Ave., Ste. 500, Phoenix, AZ 85012
www.azuitax.com

Employer Accounting Unit:	602-771-6601
Employer Registration Unit:	602-771-6602
Experience Rating Unit:	602-771-6603
Collections Unit:	602-771-6604

Field Audit Offices:

Phoenix:	602-771-2999
Mesa:	480-345-1573
Tucson:	520-628-6820
Lake Havasu City:	Closed until further notice
Prescott:	928-277-2810
Show Low:	Closed until further notice
Sierra Vista:	520-458-7166
Flagstaff:	928-214-2577

SAFE & SECURE ONLINE FILING

SAVES TIME & POSTAGE
ENSURES ACCURATE REPORTING
ELIMINATES EXCESS PAPERWORK
HELPS PREVENT LATE PENALTIES

To **USE TWS** (the Arizona Internet **T**ax and **W**age **S**ystem), you must have an active UI account as a Rated or Reimbursement employer, but more information on TWS is available to everyone. Visit **www.azuitax.com**, Online Services section, TWS link, then select either the Additional Information and Instructions link or the Login button.

To **LOGIN**, enter your Arizona UI Tax account number and TWS password, printed in the upper right area of your quarterly UC-018 form (your password changes every quarter). For password assistance, phone the Employment Administration Help Desk at (602) 542-2460.

On TWS, you can **FILE A WAGE REPORT** (up to 999 employees) **OR A ZERO-WAGE REPORT** indicating you had no employees and paid no wages. **If you file all UI-liable quarters of a calendar year online, TWS will accurately compute your taxable and excess wages and tax due every quarter automatically.**

MAKE AN ELECTRONIC PAYMENT in any amount, either along with your report or as a payment only, or file your report electronically and pay by paper check or money order.

You will receive immediate **CONFIRMATION** when your report has been filed and/or electronic payment has been accepted. **CHECK OUT TWS AT www.azuitax.com TODAY!**

Equal Opportunity Employer/Program • Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI & VII), and the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title II of the Genetic Information Nondiscrimination Act (GINA) of 2008, the Department prohibits discrimination in admissions, programs, services, activities, or employment based on race, color, religion, sex, national origin, age, disability, genetics and retaliation. The Department must make a reasonable accommodation to allow a person with a disability to take part in a program, service or activity. For example, this means if necessary, the Department must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the Department will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. To request this document in alternative format or for further information about this policy, contact the UI Tax office at 602-771-6606; TTY/TDD Services: 7-1-1. • Free language assistance for DES services is available upon request. • Ayuda gratuita con traducciones relacionadas a los servicios del DES está disponible a solicitud del cliente.